

Audit Reports and Supplemental AFR

Clerk's Conference
June 2021

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Annual Financial Report (AFR)

- IC 5-11-1-4(a): “The state examiner shall require from every audited entity financial reports covering the full period of each fiscal year. These reports shall be prepared, verified, and filed with the state examiner not later than sixty (60) days after the close of each fiscal year. The reports must be in the form and content prescribed by the state examiner and filed electronically in the manner prescribed under IC 5-14-3-8.7”



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Audit of AFR

- IC 5-11-1-9 requires the State Examiner to examine all accounts and all financial affairs of every public entity.
- What is the purpose of the audit?
 - Place an opinion on the financial statements of the county
 - To report on identified non-compliance
- All departments of the county are subject to audit



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Audit Preparation

- Records needed
 - Records Uploaded
 - Bank Reconciliation- monthly
 - Bank Statement –monthly
 - Daily Cash Balance Report –monthly
 - Trust Balance Report –end of year
 - Receipt Journal
 - Check Register
 - Internal Controls



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Audit Expectations

- All transactions (receipts and disbursements) are posted to the ledger
 - Records are up to date
 - All adjustments to the ledger are supported and approved
- Bank statements completed monthly
 - Ending bank balance should be reconciled to ledger balance
 - All reconciling items should be identified and supported



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Audit Conclusion

- Field Examiners will discuss any issues with you throughout the audit process
- Audit Report
- Financial Report
 - Opinion of Financial Statements
- Supplemental Report
 - Any findings listed by Department
 - Official response



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Funds Ledger – County Auditor

- The Funds ledger has all the funds of the county
 - General Fund
 - Special Revenue Funds
 - Remittance Funds
- However, if there are funds maintained outside of the treasury, those funds must be added to the annual financial report for the report to be complete.
 - Treasurer
 - **Clerk**
 - Sheriff



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Annual Financial Report

- Auditor uploads onto Gateway the Counties Funds Ledger
 - Beginning Balance, Receipts, Disbursements and Ending Balance
- Auditor will manually add the funds for the supplemental funds
 - Beginning Balance, Receipts, Disbursements and Ending Balances
- The Supplemental Annual Financial Report is the responsibility of the official that completes and certifies the form
- The information on the Supplemental Annual Financial Report should tie to the financial records of the office



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Location of Template

- www.in.gov/sboa
- Navigate to Counties page under Political Subdivisions
- Scroll down to the section “Gateway”
- Expand the menu for Annual Financial Report
- Click on link for Supplemental Annual Report



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Supplemental Annual Financial Report

RETURN THE COMPLETED FORM TO THE OFFICIAL OF THE GOVERNMENTAL UNIT BY JANUARY 20TH.

Name of Governmental Unit: _____ Contact Person: _____

Office Name: _____ Phone Number: _____

Year: _____ E-mail Address: _____

List all accounts/funds managed by this office

Fund Name	Beg. Investment Balance	Ending Investment Balance	Beginning Cash Balance	Other Receipts	Other Disbursements	Ending Cash Balance	New Fund

Certification: This is to certify that the data contained in this report is accurate and agrees with the financial records, to the best of my knowledge and belief.

Signature of Dept Official: _____ Title: _____

Printed Name of Dept Official: _____ Date Signed: _____



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Supplemental Annual Report Instructions

- Part I – Contact Information
- Part II – Fund Name: Identify the fund
 - Trust Fund
 - Child Support Fund
- Part III – Beginning Investment Balance: Show the investment, if any at the beginning of the year
- Part IV – Ending Investment Balance: Show the investment, if any at the end of the year
 - Note if an investment is cashed in, this becomes part of the cash transactions



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Supplemental Annual Financial Report

- Part V – Beginning Cash Balance: this balance should agree with prior year report
- Part VI – Receipts: This the total receipts to the fund for the year.
- Part VII – Disbursements – This is the total disbursements from the fund for the year
- Part VII – Ending Balance-This amount should agree to the total on your cash book or ledger for December 31
- Part X – Certification



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A	B	C	D	E	F	G	H	I
Supplemental Annual Financial Report								
RETURN THE COMPLETED FORM TO THE OFFICIAL OF THE GOVERNMENTAL UNIT BY JANUARY 20TH.								
Name of Governmental Unit:	Happy County				Contact Person:	Clerk Smith		
Office Name:	Clerk of the Circuit Court				Phone Number:			
Year:	2020				E-mail Address:			
List all accounts/funds managed by this office								
Fund Name	Beq. Investment Balance	Ending Investment Balance	Beginning Cash Balance	Other Receipts	Other Disbursements	Ending Cash Balance	New Fund	
Clerk Trust Fund	10,000	10,000	2,755,950	6,317,690	6,000,800	3,072,840		
Child Support Fund			22,409	950,000	940,000	32,409		



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Beginning Balances

- Look at any files you kept from your prior supplemental AFR; OR
- Look at the Prior AFR on Gateway <https://gateway.ifionline.org/>
- Choose Annual Financial Report
- Cash and Investment Report for your county
 - Supplemental funds are usually at the very beginning of the report.
 - Look for Clerk's Trust and possible ISETS/Child Support
 - Look at the ending balances and compare to your beginning balance



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Local Fund Number	Local Fund Name	beg Cash & Inv Bal Jan 1, 2019	Receipts	Disbursement	end Cash & Inv Bal Dec 31, 2019
0	Clerk of the Circuit Court	\$259,080.27	\$2,515,710.83	\$2,511,465.13	\$263,325.97
00	Inmate Trust Fund 2	\$20,238.00	\$399,775.61	\$369,633.90	\$50,379.71
000	Sheriff's Commissary 2	\$28,301.00	\$411,329.27	\$407,209.39	\$32,420.88
0000	County Home Residents	\$13,564.00	\$367,355.39	\$367,334.06	\$13,585.33
000000	Treasurer	\$836,309.43	\$946,820.89	\$836,309.43	\$946,820.89
1000	County General	\$4,141,376.84	\$13,222,214.66	\$12,510,897.61	\$4,852,693.89



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Receipts and Disbursements

- This information comes from your financial records
- Your software probably has a report you can run to obtain this information.
 - Cash Book and Daily Cash Balance Report
- Do not use the bank statements to prepare the Supplemental AFR.
- The ending balance should reconcile to your December bank statement.



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Clerk's Cash Book and Daily Balance Record

Form Prescribed by State Board of Accounts County Form 46 (Rev. 1993)

CLERK'S CASH BOOK AND DAILY BALANCE RECORD

Date of Balance _____, 19__

	BEGINNING BALANCE	RECEIPTS DURING THE DAY	DISBURSEMENTS FOR THE DAY	ENDING BALANCE
Payable to State:				
Court Costs				
State User Fees				
Family Violence Fees				
Highway Work Zone Fees				
Payable to County:				
Court Costs				
Fines and Forfeitures				
Infraction Judgments				
Support Fees				
Marriage Licenses - County Share				
Administrative Fees				
Document Fees				
Miscellaneous Fees				
Late Surrender Fees				
Interest on Investments				
Vehicle License (Add Ex. Judg.)				
Overweight Vehicle Fines				
County User Fees				
Supplemental Public Defender Services Fees				
Special Death Benefit Fees				
CAL/CASA Fees				
Clerk's Record Perpetuation Fund				
Payable to Cities or Towns:				
City Fines				
Town Fines				
Support				
Garnishments				
Trust Funds				
TOTALS				

SAMPLE



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Review and Approval

- Review your report for accuracy
 - Trace beginning balance to prior report
 - Trace receipts and disbursements to financial report or ledger
 - Trace ending balance to bank reconciliation for December
 - Document your review and approval of the report and retain that copy for your records.
 - Send a copy to your County Auditor



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Issues with the Supplemental Report

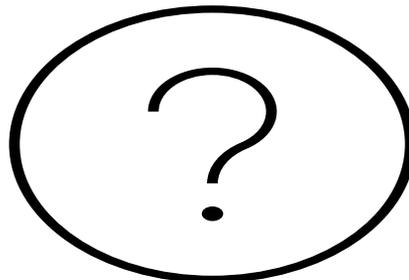
- Ending balance from the prior report is not correct.
 - Complete the supplemental report with the correct balance document the reason the beginning balance does not tie to prior report
- Funds are not correct on the prior report
 - Complete the supplemental report with the correct funds and balances.
 - Check prior audit report to see if corrections were made to funds
- Ledger is not reconciled to bank and investment statements
 - Complete reconciliation as accurately as possible, contact Ricci or Lori for advice on Supplemental AFR.



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QUESTIONS



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